

Public Employees' Retirement Board

Thursday, June 11, 2015

Topic: FY2015 Reserve – MPERAtiv Program

For FY2015 the PERB budget is estimated to come in under the allowable statutory cap of 1.5% of benefits paid. Generally, any amount remaining under the CAP reverts to the pension trust funds. Past decisions have been to set aside the excess budget amount from the current fiscal year to fund the next fiscal year (FY2016) expenses of the MPERAtiv program.

Last year staff recommended allowing a cushion of \$50,000 to remain in the prior year budget for any unexpected transactions since the general ledger does not officially close until the 3rd week of July. The same is recommended this year.

Recommended Board Motion:

- ☐ It is the Board's intention to take the following actions regarding the FY2015 dollars remaining under the statutory CAP:
 - At a minimum, a balance of \$50,000 rounded up to the nearest one hundred dollars will remain in the FY2015 budget,
 - The remainder of the excess cap as allowed by governmental accounting standards and state policy will be set aside and earmarked for the purposes of funding the MPERAtiv program in FY2016. It is intended that the future spending of this amount will not impact PERB's future budget or budget cap.

☐ Board Pleasure

Moved by

Seconded by

Vote